

General Terms and Conditions

of IBO GmbH

(In case of dispute, the German version shall prevail.)

Edition 03/2018



§1 General Provisions

- 1) All delivery transactions, agreements and offers are based exclusively on the following terms and conditions, in the version valid at the time of the customer's inquiry or order. Deviating, conflicting or supplementary general terms and conditions by the customer, even if known, are not part of the contract, unless their validity has been expressly agreed in writing.
- 2) Our General Terms and Conditions shall apply even if we carry out the delivery or the service to the customer without reservation, in knowledge of conflicting or deviating conditions by the customer. Changes or additions to these conditions, subsidiary agreements as well as deviating agreements require a written agreement to be valid.
- 3) Our conditions also apply to all future business transactions with the customer

§2 Conclusion of Contract and Contract Changes

- 1) Our offers are non-binding and without obligation, subject to other sales.
- 2) Technical changes and changes in shape, color, and/or weight are reserved within reasonable limits. Dimensions, weights, illustrations and drawings as well as information and illustrations contained in brochures, catalogs and general information (e.g. website) are only binding if expressly agreed in writing.
- 3) With the order of a commodity the customer declares commitment to want to acquire the ordered commodity. We are entitled to accept the contract offer in the order within two weeks after receipt. The acceptance can be declared either in writing or by delivery of the goods to the customer.
 - 4) The order by the customer is usually to be made in writing, by letter or by fax. It can also be made by electronic data transmission, such as e-mail, as far as the customer can clearly be identified as the sender by means of common standards.
- 5) If the order confirmation deviates from the order, its contents shall be deemed contractually agreed if not objected to in writing within 8 days after dispatch. This paragraph does not apply to business dealings with consumers and other persons who are not merchants within the meaning of the Commercial Code.
- 6) Our offers and order confirmations are always subject to a positive credit assessment of the customer and subject to the correct and timely delivery by our suppliers. The right to cancel the contract within commercial transactions is limited to the case in which we have concluded a specific hedging transaction with our supplier and have been abandoned by the partner of this contract.
- 7) We reserve ownership and copyrights to samples, cost estimates, drawings and similar information of physical and intangible nature, including in electronic form; they may not be made accessible to third parties. We commit to making information and documents designated as confidential by the customer available to third parties only with his consent. At our request, all of our documents must be returned to us.
- 8) The quality of the goods depends exclusively on the agreed technical delivery instructions. If we have to deliver according to drawings, specifications, samples, etc. of our customer, this assumes the risk of suitability for the intended use. Decisive for the contractual condition of the goods is the time of the transfer of risk. Insofar we are liable only for the proper processing.

Unless expressly agreed, no liability is assumed for the determination of the material quality and for corrosion damage.

- 9) For bearings and parts that require a special order, we reserve the right to an excess or short delivery of up to 10%, unless special conditions beyond this rule are agreed.
- 10) Orders with a net value of less than € 100 receive a corresponding surcharge, so that the value of the invoice without VAT and other incidental costs (packaging, freight) is € 100.
- 11) We conscientiously carry out rewarding contracts. If it turns out during production that the delivered raw material is not suitable, the costs incurred until then shall be borne by the customer. Claims for damages cannot be deducted by the customer. For order quantities under 100 pieces, allowed rejects etc. are 15 to 20%; for orders over 100 pieces 10 to 15%, according to the manufacturing.

§3 Delivery time

- 1) Delivery times are only binding if they are expressly designated by us as binding and confirmed in writing
- 2) The delivery period begins with the dispatch of the order confirmation, but not before the provision of the customer, if necessary, to be procured documents, permits, releases and before receipt of an agreed down payment. If technical ambiguities or errors in the order or drawing documents of the customer subsequently emerge, the delivery period starts anew after their removal. All resulting additional expenses must be borne by the customer.
- 3) Additional agreements and changes require our written confirmation.
- 4) An agreed delivery deadline shall be deemed to have been met if, prior to expiry, the ordered goods have left the warehouse, or if shipped from the factory, the factory of the manufacturer, or if the readiness for shipment has been communicated.
- 5) Unforeseen, unavoidable events and other obstacles, such as force majeure, labor disputes, disruption of traffic routes, official interventions or other disruptions in our own factory or at the premises of our suppliers, as well as late deliveries by our suppliers, entitle us to extend the delivery period for the duration of the hindrance, however, not longer than a total of four weeks, to the extent that such impediments have been proven to significantly affect the manufacture or delivery of the delivery item. We will inform the customer of the beginning and end of such circumstances as soon as possible.
- 6) The delivery date is set based on our expected performance and is subject to unforeseen circumstances and obstacles, regardless of whether they occur to us or to the supplier, such as force majeure, government measures, changes in the law, non-granting of official permits, labor disputes of any kind, sabotage, lack of raw materials, late delivery of material without fault. Such events extend the delivery date accordingly, even if they occur during a contract that has already occurred, but not by more than four weeks in total.
- 7) Insofar as we are in default and the customer incurs any damage, the customer may demand compensation for the delay. The compensation is 0.5% for each week of delay, but not more than 5% of the value of that part of the total delivery that cannot be used on time or in accordance with the contract as a result of the delay.
- 8) If the delivery delays last longer than six weeks, we are entitled to withdraw from the contract in whole or in part if we expressly commit ourselves to

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inform the customer immediately about the unavailability of the service and to reimburse the consideration.

- 9) If it is agreed with the customer that within a fixed period ("closing period") a fixed delivery quantity is to be delivered and that the customer has the right to determine the delivery date, the deliveries are to be requested at the latest twelve weeks before the desired delivery date. After expiration of the closing period, we are entitled to deliver and charge the customer for the quantity not yet requested.
- 10) Partial deliveries are permitted as far as this is not unreasonable for the customer.

§4 Prices / Terms of Payment

- 1) The prices for commercial transactions are net prices and exclusive of the applicable value added tax (VAT). The price calculation and payment ensues in Euros (€). Additional costs due to payment in foreign currency shall be borne by the customer.
- 2) Unless otherwise agreed, the prices are ex EXW (Incoterms in their current version).
- 3) Unless otherwise agreed, the price valid on the day of delivery applies. The price increase is limited to the price enforced on the market.
- 4) Circumstances that occur four months after the conclusion of the contract and significantly influence the calculation basis in an unpredictable way, and are beyond our control, entitle us to adjust the agreed price by an amount that takes account of these circumstances only. This applies in particular to changes in the law, official measures, price fluctuations, etc. The price adjusted in this way is based on the same calculation basis as originally agreed and is not intended to increase profits. The price increase is limited to the price enforced on the market. In non-commercial transactions, this does not apply to goods that are to be delivered within four months of the conclusion of the contract, unless they are delivered within the framework of continuing obligations.
- 5) Invoices are due immediately. If the customer defaults on payment, he is obliged to pay an interest on the debt of 8% above the base rate during the delay (§§ 288 pars. 2, 247 BGB). The assertion of further default damages remains reserved.
- 6) In principle, unless otherwise agreed, payments must be made to one of our accounts within 30 days of the invoice date, without any deduction. For payments received within 14 days of the invoice date, we grant a 2% discount.
- 7) Despite different provisions by the customer, we are entitled to first offset payments against his previous debts. If costs and interest have already arisen due to default, we are entitled to offset the customer's payments first against the costs, then against the interest and finally against the principal claim.
- 8) The customer can only exercise the right of retention if his counterclaim is based on the same contractual relationship. The customer can assert set-off and retention rights only with undisputed, recognized or legally established claims.
- 9) Noncompliance with agreed terms of payment, as well as circumstances that become known to us after the conclusion of the contract, providing reason to assume that the customer will not pay on time, entitle us to demand immediate security for all claims arising from the delivery contract, regardless

of due date, and to halt manufacturing of the delivery item until the security has been delivered.

- 10) In this case, all outstanding claims, including those for which payment by installments has been agreed, become due immediately.

§5 Transfer of Risk / Shipping

- 1) In commercial transactions, the customer bears the price risk as soon as the goods have been handed over to the person responsible for the consignment.
- 2) If shipping is delayed or becomes impossible without our fault, the risk passes to the customer upon notification of readiness for shipment.
- 3) Packaging becomes the property of the customer and is charged by us. Postage and packaging charges will be charged separately. The choice of transport is at our discretion.
- 4) Default of acceptance by the customer shall be equivalent to delivery or acceptance.
- 5) Insurance against damage during shipping is only arranged at the request and expense of the customer.
- 6) If the customer culpably refuses acceptance of the goods, he shall be obliged to pay us compensation amounting to 5% of the net order price. Further claims on our part remain expressly reserved. The customer is expressly permitted to prove evidence that damage has not occurred at the alleged level.

§6 Warranty

- 1) The customer is obliged to examine the goods for completeness and damage immediately after delivery.
- 2) If the customer is an entrepreneur and fails to give notice of obvious defects within a period of 3 days after delivery, the goods are considered approved.
- 3) If the customer is a consumer and fails to file a complaint, in case of obvious defects, within a period of two weeks after delivery, the goods are considered approved.
- 4) Timeliness of the complaint of defects shall be based on the sending date thereof.
- 5) In the case of non-obvious defects, the period of notice corresponds to the statutory limitation period.
- 6) If the customer is an entrepreneur, the complaint must be made in writing by registered letter/acknowledgment of receipt.
- 7) The notice of defects shall be exclusively directed to us.
- 8) The customer bears the full burden of proof for all conditions of the claim, in particular for the defect itself, for the time of discovery of the defect, and for the timeliness of the complaint. For non-commercial transactions, this does not apply to defects that appear within six months after the transfer of risk.
- 9) We are not responsible for material defects caused by improper or negligent use, faulty assembly or commissioning by the customer or third parties, normal use, faulty or negligent treatment, as well as the consequences of improper modifications or repair work, without our consent, by the customer or third parties. The same applies to defects that only insignificantly reduce the value or suitability of the goods.
- 10) We must be given the opportunity to ascertain the reported defect. Complained delivery items are to be held at our disposal and are to be returned to us immediately upon request.
- 11) Insignificant defects that do not affect the functionality of the delivery item do not entitle the customer to refuse acceptance.
- 12) We only reimburse the costs of the return if this is done at our request.

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- 13) In the case of timely complaints of defects, we will initially render subsequent performance by repair or replacement at our reasonable discretion. For this, the customer is to allow appropriate time and opportunity.
- 14) If the supplementary performance fails, the customer can in principle demand reduction or the rescission of the contract (withdrawal) at his own discretion. In the event of a minor breach of contract, especially in the case of only minor defects, the customer has no right of withdrawal.
- 15) If the customer wishes to rescind the contract because of a legal or material defect, after failed non-fulfillment, he is not entitled to claim compensation for damages due to the defect. In this case, the customer can only assert damages in the case of intent or gross negligence, or in the case of a breach of a material contractual obligation (cardinal obligation) on our part, our legal representative or vicarious agent in unlimited amounts; however, in case of violation of a cardinal obligation, limited to such foreseeable damages, which should be prevented by cardinal obligation. We are not liable for unforeseeable excess risks.
- 16) The above limitation does not apply expressly, as far as a culpable breach of duty on our part, our legal representatives or vicarious agents, a liability for damages resulting from injury to life, limb or health is justified.
- 17) If the customer requests compensation for damages after failed supplementary performance, the goods remain with the customer if this is reasonable for him. The compensation in this case is limited to the difference between the purchase price and the value of the defective item. This does not apply to fraudulent breach of contract.
- 18) If after the acceptance of an item within the framework of a warranty the non-existence of a defect emerges, we are entitled to charge the customer an expense or processing fee. In this case, the customer is at liberty to prove to us a lower expense than the one invoiced
- 19) The limitation period for warranty claims for contracts with companies is one year.
- 20) In the case of used goods, the limitation period for warranty claims is one year, even for contracts with consumers.
- 21) For other contracts with consumers, the statutory limitation period applies, except for claims for damages and claims for futile expenses, for which a limitation period of one year applies.
- 22) Deadlines, the fruitless expiry of which entitle the customer to withdrawal, reduction or compensation, must be sent in writing
- 23) When describing our products and their uses in brochures, programs, price lists, instructions for use and similar information, this is not an assurance of particular areas of application and characteristics, but a non-binding indication intended to assist the purchaser in assessing our products and their scope of application. The customer has to make sure in good time, before the final order, of his own sufficient information, technical advice and experiments that can achieve the desired result under the given conditions with our products.
- 24) Claims under the Product Liability Act remain unaffected.
- 25) The customer does not receive any guarantees in the legal sense.

§7 Disclaimer and Limitation

- 1) All other claims for damages of any kind, in particular those due to negligence on conclusion of contract or breach of contractual or statutory secondary obligations, can only be enforced by the customer in case of intent or gross negligence, or breach of a significant contractual obligation (cardinal duty),

on our part, our legal representatives or claimants in principle assert unlimited amounts; however, in case of violation of a cardinal obligation, limited to such foreseeable damages, which should be prevented by cardinal obligation. We are not liable for unforeseeable excess risks.

- 2) The above limitation does not apply expressly, as far as a culpable breach of duty on our part, our legal representatives or vicarious agents, a liability for damages resulting from injury to life, limb or health is justified.
- 3) The customer bears the burden of proof that the conditions of his breach of duty are met. This also applies to a fault on our part.
- 4) Claims under the Product Liability Act remain unaffected.

§8 Retention of Title

- 1) We reserve the ownership of the delivery item until receipt of all payments from the business relationship with the customer (reserved goods). The retention of title also extends to the recognized balance, as far as we offset claims against the customer in the current account.
- 2) The customer is obliged to treat the goods with care. If maintenance and inspection work is to be carried out, the customer must carry this out regularly at its own expense.
- 3) The customer may sell the reserved goods only in the ordinary course of business to standard terms and conditions, and only as long as he meets his payment obligations to us in a timely manner. The customer is obliged to resell the reserved goods only subject to retention of title, and to ensure that the claim from such sales transactions can be transferred to us.
- 4) If the reserved goods become part of a new item belonging to the customer through the connection, then it is agreed that the customer transfers co-ownership of the new item to us and keeps it free of charge for us. Our share of ownership is determined by the ratio of the value of the reserved goods to the value of the new object
- 5) The customer hereby assigns to us all claims arising from the resale of the reserved goods against his customers or against third parties. If the reserved goods, which belong to us only proportionally, are resold, then the portion assigned to us from the resale, generating demand for our property share, is measured.
- 6) The customer remains revocably authorized to collect the claims from the resale. Upon request, he must report the assignment to his customers and provide us with all information and documents required to assert our rights.
- 7) We commit ourselves to release the securities to which we are entitled, insofar as their value exceeds the claims to be secured by more than 50%.
- 8) If the reserved goods are impounded or if our rights are impaired in any other way by third parties, the customer must notify us immediately.
- 9) The customer agrees to sufficiently insure the goods at his expense against fire, water, theft and elemental damage until the expiry of the retention of title, and to prove this to us. He already assigns his claims under the insurance contracts to us.
- 10) We accept the transfer.
- 11) We are entitled to rescind the contract in case of a breach of contract by the customer, in particular in case of default of payment or breach of an obligation of this section, and to reclaim the goods. In this case, the customer hereby has already declared his consent to us reclaiming the retained goods, or, as far as we are the sole owner, the new goods within the meaning of paragraph (4) of this section or have them recalled.

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- 12) Insofar as mandatory legal provisions of the respective state do not provide for a reservation within the meaning of § 8 (1 - 11) but have other rights in place to secure the claims from invoices of the supplier, we reserve these. The customer is obliged to take part in measures we are entitled to that help to protect our property right or any other right on the reserved goods that replaces it

§9 Withdrawal

- 1) We can withdraw from the contract if essential circumstances beyond our influence have developed after the conclusion of the contract which render the performance impossible or unreasonably difficult for us (e.g. non-delivery by our suppliers or possibility of delivery only under much more difficult conditions which is not represented by us, force majeure, state measures, strike or natural disasters, legislative changes, official measures, non-issuance of official permits, labor disputes of any kind, sabotage, shortage of raw materials, late delivery of material without fault).
- 2) We are also entitled to withdraw from the contract if the customer violates his contractual obligations significantly, in particular if he is subject to a duty of care with regard to the handling of the goods under retention of title for the delivered goods.
- 3) Our right of withdrawal also applies in the event of the customer making false statements regarding his credit-worthiness. This also applies if the customer is not objectively credit-worthy and our payment claim therefore appears endangered; the same applies in the event of the customer having made a statutory declaration.
- 4) Furthermore, our right of withdrawal, as well as that of the customer, is determined by the statutory provisions.

§10 Final Provisions

- 1) The place of performance for deliveries and services is the place of destination confirmed by us.
- 2) The contractual relationship is subject to German law, with the exception of conflict of laws and the United Nations Convention on Contracts for the International Sale of Goods (CISG)
- 3) Jurisdiction is Munich, subject to a deviating exclusive jurisdiction. However, we are entitled to sue the customer at another competent court
- 4) Should a provision be or become ineffective, this shall not affect the validity of the remaining provisions.
- 5) Transfers of rights and obligations of the customer under the contract concluded with us require our written consent in order to be effective

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